

Crop Insurance News

Farm Revenue Insurance Deadline Fast Approaching

Adjusted Gross Revenue (AGR) insurance for farmers is again being offered in New Hampshire for 2005, according to the Raleigh Regional Office of the USDA Risk Management Agency. The application deadline is January 31, 2005. Current AGR policyholders also have until January 31 to make any changes to existing contracts. AGR provides whole farm income protection under an umbrella-type policy that covers income from all crops and some livestock, provided that the income from livestock and livestock products does not exceed 35 percent of total farm income. Unlike traditional crop insurance guarantees based on yields, AGR provides a guarantee against a significant decline in overall farm income from the average of the most recent five years (1999 – 2003). As a result of substantial premium subsidies provided by the USDA, AGR can be a very affordable way to guarantee an income flow from your farm operation.

In addition, the USDA Risk Management Agency (RMA) has approved a modified version of the Adjusted Gross Revenue (AGR) whole farm insurance program for New Hampshire. The new plan is called AGR-Lite and is now available in all New Hampshire counties. AGR-Lite offers certain features not available under regular AGR. For example, farmers who derive more than 35 percent of their income from animals or animal products may still be eligible for coverage under AGR-Lite. Also, farmers will not be required to purchase individual crop insurance policies in addition to AGR-Lite; however, they may obtain such additional protection if they so desire. The maximum dollar protection under AGR-Lite will be limited to \$250,000. The sales closing deadline is January 31, 2005.

Farmers should contact a local crop insurance agent for more details. For a list of crop insurance agents, farmers may contact their local USDA Farm Service Agency office or log on to the RMA web site at: <http://www3.rma.usda.gov/tools/agents/>